

THE CONNECTION

A QUARTERLY PUBLICATION FROM THE ACCOUNTING DIVISION OF WASHINGTON STATE'S OFFICE OF FINANCIAL MANAGEMENT

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If you have questions or comments on any information contained in *The Connection*, please contact Debbie Hoxit at (360) 664-7767 or email: debbie.hoxit@ofm.wa.gov

Central Service Agencies Best Practices

To help agencies cope with the current budget situation, the central service agencies (OFM, GA, DIS, and DOP) developed a list of recommended "best practice" tools and services. Examples of practices include making payroll and vendor payments electronically, using webcasting in place of travel, and taking advantage of master contracts when purchasing.

All the recommendations are proven to have the potential for cost savings or operating efficiencies. While the impact of individual best practices may be small, the cumulative result will be improved statewide efficiencies.

Some practices, such as using DOP's employee on-line survey, may require little effort. Others, such as streamlining travel reimbursement practices, may call for an agency-wide effort to adopt new policies and business practices. Applying any of these best practices requires an investment of staff time and management team support.

Some agencies already enjoy the efficiencies and economies offered by these best practices. However, most are underutilized and additional savings are certainly possible.

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No Change in Mileage Rate

Normally, the state mileage reimbursement rate would be adjusted at the beginning of the new calendar year to coincide with new federal rates. However, there will be no change in January 2002. This year,

Marty Brown, Director of OFM, issued a memo dated December 11, 2001, notifying fiscal officers as follows:

Please be advised that while we are aware that the federal privately owned vehicle (POV) reimbursement rate is slated to increase in January 2002, the state's POV reimbursement rate will remain at \$0.345 into the calendar year 2002. Given the very difficult budget situation facing the state, it is not prudent to increase the rate at this time.

If you have questions or comments, please contact Andrea Brown at andrea.brown@ofm.wa.gov or Wendy Jarrett at wendy.jarrett@ofm.wa.gov





*Sadie Rodriguez-Hawkins
Assistant Director, OFM Accounting*

Congratulations

*To the Directors of the
Central Service Agencies*

As we all look for ways to cope with the current economic situation, it is a time to come together to look for solutions. During November and December, the directors of the departments of GA, DIS, DOP, and the deputy director of the OFM supported a joint effort to find "best practice" tools and services that could help agencies improve and simplify their administrative processes.

Gene Matt, Marsha Tadano Long, Gary Robinson, Wolfgang Optiz and staff from all four agencies found time in their very busy schedules to support the search for best practice opportunities. The result a list of twenty-five best practices, ranging from on-line employee surveys to webcasting. Visit <http://www.wa.gov/dis/bestpractices> for a complete list of recommended best practices.

These executives have pledged their continued support to help customers implement the best practices and find other opportunities to make government more efficient.

Comments from the Assistant Director

Sadie Rodriguez-Hawkins

Happy New Year – May the Year 2002 be a time for *New Beginnings!*

Another year has come and gone and it was not a year we will soon forget. As a matter of fact, several colleagues have declared that they are more than ready for a new beginning. In particular, they would like a new beginning that is free from the fear of earthquakes, drought, fire, and terrorism. I wish I could turn their dreams to reality but only time will tell what the Year 2002 holds.

However, there are things I do know. The disasters of the past year will have a far-reaching impact on our economic situation. It will take considerable resources to deal with the after-effects due to earthquakes, drought, fires and terrorism.

Budget times for Washington State are tough and probably only going to get tougher. Many hard issues remain on the table for deliberation and many difficult choices will need to be made. Regardless of the decisions, in the end there are winners and there are losers. This is unfortunate.

What can we do to minimize the effect of these decisions, if anything? We can model what the Directors for the Central Service agencies have begun. We can look around our workplace and identify the central service agency "Best Practices" that our agency can adopt immediately. We can also look at our own agency best practices and recommend them to others.

Initially, these savings may not seem like much but they do add up. In the end, these combined dollars may save

a program, or two, and a few FTE's. Who knows, it may be your program or your FTE that we are talking about.

We can also make a difference by working together strategically. Tough times call for thoughtful planning and reduced spending. More than ever, it is important that we communicate effectively and remain focused on agency goals. We must work at eliminating duplication of effort.

And lastly, we should look around us and learn to differentiate between the needs and the wants in our lives. What we want to do is not always what needs to be done.

It is never too late to seek new beginnings and new ways of being. As Sally Koch once said, "Great opportunities to help others seldom come, but small ones surround us every day." Which small steps surround you and which ones can you undertake to make Washington State government the best in the nation?

In conclusion, my New Year's wish for you is that you may always focus on the best in everyone and that you be truly present to one another. Let us go forth and make January 2002 the "*new beginning*" of a wonderful year!

*"America is not like a blanket
– one piece of unbroken cloth.
America is more like a quilt –
many patches, many pieces,
many colors, many sizes, all
woven together by a common
thread."*

-Rev. Jesse L. Jackson

Central Service Agencies Best Practices

(continued from page 1)

The complete list of recommended best practices can be accessed on the Internet at <http://www.wa.gov/dis/bestpractices>. Each item on the list is linked to a description of the opportunity, a high-level action plan, potential benefits and contact information. Additional best practices will be added to the website as they are identified.

These practices are recommendations, rather than directives from the central service agencies. Each agency is expected to review its current business operations with an eye to incorporating appropriate best practices. Agencies should develop comprehensive implementation plans to ensure the improvements and their related savings or efficiencies are permanent. Best practices will be a continuing topic of discussion at the Deputy Director's Enterprise Management Group and other management meetings. By working together to identify and implement these and other best practices we can all help lessen the impact of the budget crisis.

Reduce Stress with Single Sign-On

CU@4togo!

Gr8Times!

How many passwords do you have? More than you can remember? So many that you need to write them down? And how often do they change, 30 days, 60 days, 90 days? And, now we can no longer use the names of our pets or our children. Instead we are required to make them complex with special characters, numbers, etc. *And they say that computers are supposed to make our life easier!*

While the increased emphasis on computer security is needed, remembering passwords has become more challenging. Imagine having only one password that after entering once, provided access all of the computer systems we use to complete our daily work. This is the vision of the single sign-on project. The goal of this project is to reduce or eliminate the need for us to keep a separate logon ID and password for each state computer system we use.

It would work like this. When you logon to your agency network, you would enter your network password. You would then automatically be given access to all of the computer systems you currently have access to. When you clicked on the icon or web page link to enter a specific system, the next thing you would get is the system welcome screen. The system logon screen would be bypassed. No more forgetting passwords or calling to have them reset.

A group of agencies including Office of Financial Management, Department of Personnel, Department of Information Services, Department of Social and Health Services, Labor and Industries, Employment Security Department and General Administration are pooling their resources to see if this is really possible. The first step in the single sign-on project is to build and demonstrate a proof-of-concept prototype. Lessons learned from this prototype will allow agency IT managers to understand the feasibility of extending this vision throughout state government. Stay tuned.

glad4U2@

Hop2It!*

OFM's "Better Practices"

The current economy has forced OFM to closely examine how we provide products and services. As a result, we have two "better practices" to announce:

First, OFM will now have only one mailstop - 43113. This change incorporates GA's Best Practices, aligning mail services with agency business needs.

Although we are still physically located in different buildings, all mail will be sorted once in one location. We also have streamlined our mail delivery process internally. However, this new process will not affect current delivery services.

With help from Consolidated Mail Services, any mail addressed to the other mailstops will continue to reach us.

Our second change is in the way we deliver *The Connection*. We will continue publishing our newsletter electronically, but will start reducing the number of printed copies. Next year, we will stop producing the printed version entirely.

By posting *The Connection* on OFM's web site, we can provide information to you, our customers, quicker with less costs. After each publication, a link will be e-mailed to you. To facilitate this change, please send your e-mail address to Debbie Hoxit at debbie.hoxit@ofm.wa.gov.

While OFM will continue to support our fellow agencies, we too need to concentrate on ways to cut costs. We are evaluating many of our processes and listening to our employee's suggestions on ways we can better utilize resources. This is a challenge that all state agencies will face during the coming years.

Thanks for your support.

Warrant Cancellation Enhancements Survey

During the September AFRS Workshop we conducted a survey and asked agency participants to rank, in order of importance, various warrant cancellation enhancements proposed by the AFRS group. Out of 10+ options, the top 2 enhancements selected were:

- An automated notice to vendors of warrants outstanding for over 60/90 days.
- Automated Statute of Limitation (SOL) cancellation entries for agencies.

A follow-up email survey was then sent to all Agency Fiscal Officers with questions regarding the automated notification to vendors. Based on the results of the survey, OFM will move ahead with the top 2 warrant cancellation enhancements. Design features of the enhancements are as follow:

Automated Vendor Notice of Outstanding Warrants – AFRS will automatically send a notice to the vendor between 30 to 45 days that a warrant has been outstanding. An Affidavit of Lost and Destroyed Warrant will be attached with the notification. Similar to the inserted warrant, the notification will be mailed by OFM. Currently, OFM charges \$0.55 per inserted warrant. The same amount or a slightly higher amount will be charged by OFM for the automated notice.

Automated SOL Agency Entries - After Office of State Treasurer (OST) runs its SOL process every month, AFRS will create a batch containing agency SOL entries. This will produce the following transaction for every warrant that was marked SOL by OST: TC 455 (7130/5194). The batch will appear in AFRS IN.3 screen and will be on a Hold (H) status. Agencies will need to release the batch for processing in AFRS.

We will be introducing these enhancements to users during the next AFRS New Features Workshop to be scheduled in February 2002. Please contact Marilei Amurao-Tabile at Marilei@ofm.wa.gov / (360) 664-7761 for questions.

Stay Informed . . .

Sign up for Statewide Financial Systems Listserv

Visit <http://listserv.wa.gov/archives/swfs.html>

Click on the “join or leave the list (or change settings)” to join our mailing list.



For more information call or e-mail:
Marilei Amurao-Tabile
Phone: (360) 664-7761
marilei@ofm.wa.gov

Summarized Survey Results:

Question 1: For your agency, what are the benefit(s) of sending 60/90 days notice to vendors?

Response: Timely notification of outstanding warrants to vendors before they become SOL. Cut down on warrant cancellations and reissues. After 30 days agencies prefer that OFM sends the notice that the warrant has been outstanding and not wait for 60/90 days to get a more recent vendor address.

Question 2: The Office of State Treasurer (OST) sends agencies a list of warrant(s) that are close to SOL. Based on this list, do you currently send a notification to the vendors? If so, do you include an Affidavit of Lost or Destroyed Warrant with the letter? Do you send more than one notice to a vendor (i.e. 60 days and 90 days)?

Response: Almost everyone sends some form of a notification to the vendor of outstanding warrants. Agencies usually include an Affidavit of Lost or Destroyed Warrant with the notification. Most agencies make only one contact with the vendors and usually vendors respond to the initial contact.

Question 3: If the Automated Vendor Notice becomes available, would you be willing to pay a nominal fee for the generation and mailing of these notices?

Response: Majority of those who responded are willing to pay a nominal fee for this AFRS feature. Although there is a fee for this service, agencies believe that the benefits they would derive from this process outweigh the cost. Benefits include: (a) reduced staff time preparing the notice (look up vendor address, typing letter, stuffing envelope and mailing); (b) costs of mailing (paper, envelope and stamps) and (c) timely notification of vendors.

Who's New?

in Accounting

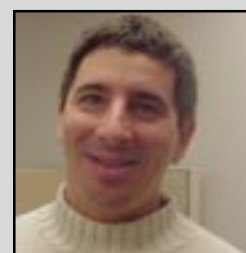


Larry Johnson joined the Statewide Financial Systems Group on December 3rd, 2001, as the ADDS Product Manager. He is now the new contact for the ADDS Customer Agencies. Larry will also be assisting in testing and providing customer support to FASTRACK. Larry is a former employee of OFM. He returned to us from DSHS where he was a Financial Coordinator providing accounting and consulting support for the Aging and Adult Services Administration for the last 6 1/2 years. Prior to that, he was with OFM performing various duties in Statewide Accounting Services. Larry has also been an Army Reserve Officer for the last 12 years.

Larry enjoys various sporting activities such as football, basketball, and baseball as well as serving in the Army Reserve. He can be reached at larry.johnson@ofm.wa.gov / (360) 664-7778.

Shaun Wilson joined the Statewide Financial Systems Group on December 3rd, 2001 as a software tester. He is part of the Budget and Allotment Support System (BASS) development team housed at the IBM building. Shaun's most recent work experience was at the Health Care Authority where he was involved in system testing as well.

He enjoys hiking, snow boarding, roller blading and - you guessed it - software testing. Shaun can be reached at shaun.wilson@ofm.wa.gov / (360) 725-5277.



Inter-Fund Transfers (IFT) Automates JVs

Transferring funds within your agency is now a lot easier by the use of the IFT process. Gone are the days when you have to send your paper Journal Vouchers (JV) to the Office of State Treasurer to make the transfers. Simply follow the steps below and your transfer will be made by AFRS:

- Use special IFT transaction codes (debit and credit IFT transaction codes)
- Use the same current document number for IFT transactions
- Transfer to at least one different fund
- Net amount of transfer must equal zero (debits equals credits)



The table below is the listing of the new IFT transactions codes.

TRANSACTION CODE	TITLE
TC 669 – 6510/7140	Interfund Expenditure Transfer – Inc
TC 670 – 7140/6510	Interfund Expenditure Transfer – Dec
TC 021 – 7140/3210	Interfund Revenue Transfer – Inc
TC 022 – 3210/7140	Interfund Revenue Transfer – Dec
TC 025 – v/7140	Interfund GL Transfer
TC 026 – 7140/v	Interfund GL Transfer

For more information about the IFT process, contact Marilei Amurao-Tabile at Marilei@ofm.wa.gov / (360) 664-7761.

Financial Reporting Improvement Project

A team of Department of Social and Health Services (DSHS) and OFM employees are working together on a project to implement: 1) Integration of DSHS' Cost Allocation System into statewide AFRS system maintained by OFM and 2) Development of a new Financial Reporting Improvement System for DSHS' management, fiscal, budget and program staff.

The Financial Reporting Improvement Project (FRIP) Team members are currently working to define and document the requirements for Cost Allocation, which is scheduled to be complete by March 2002. Reporting requirements will be started following Cost Allocation efforts.

The team will be meeting with various DSHS customer groups in late January and early February to solicit feedback and discuss requirements. Customers will validate the Cost Allocation requirements as they review business processes and activities prepared by the team. Any new requirements will also be documented. In addition, the FRIP team will analyze and document all data interfaces between the DSHS' Cost Allocation System and their current internal Financial Reporting System. Customer interviews will enable the team to gain a better understanding of the requirements and use of each interface.

All this analysis work will provide a basis for the design of the integration of DSHS Cost Allocation functions into AFRS and a definition of the data content requirements for the Reporting System.

If you have any questions regarding the project you can contact Ann Bruner, the new Project Manager. Ann can be reached at ann.bruner@ofm.wa.gov / (360) 664-7711. *The previous FRIP Project Manager, Doug Selix, has taken a new position as the Security Administrator at OFM.*

BASS updates for 2002


The BASS team is busy updating BDS, CBS, PMTES, and the Budget Reporting System to make them more usable for the 2003-05 budget development cycle. Our customers provided us with valuable feedback as they used the BASS applications to develop their 2001-03 budget. Many of the system changes are based on this feedback.

Highlighted changes include the ability to add additional years to BDS decision packages for 6-year transportation planning or other needs, removal of the on-line C100 in CBS, an improved Excel C100 that will electronically feed summary data into CBS, and improved reporting throughout the BASS systems.

A complete picture of upcoming changes will be unveiled at our January 9th, 2002 BASS Budget Officer's Meeting. Information from this meeting will be distributed via the BASS Listserv E-mail Distribution. Please contact Vicki Rummig at vicki.rummig@ofm.wa.gov / (360) 725-5268 for more information on this meeting.

Upgrades to our current applications have resulted in the need to re-evaluate project priorities and resources. As a result, the Salary Projection System (SPS) design and development has been put on hold until the current application upgrades are delivered in the spring of 2002. At that time we will be re-initiating contact with the SPS Customer Group and resuming work on this project.

We are also bringing in rotational staff to help with the testing of the updated applications to ensure they are production-ready and bug-free. We look forward to the temporary addition of Gary Koshi from the Department of Ecology and Robert Press from the Department of Licensing to our staff. We wish to thank those agencies for allowing their budget staff to join our effort.

 Need Information on
Financial Systems
or Policies?

Information on travel rules,
statewide systems, even
earlier versions of *The
Connection* can be found at

www.ofm.wa.gov



Visit us.

FASTRACK Is Back On Track

A **virus attack** caused various performance issues on our servers and systems during the month of November. The system has been fully restored and Fortress access has been returned. We apologize for the inconvenience that it caused you, our customers, and we truly appreciate all of your patience and support.

With difficult times behind us, the FASTRACK Team is now back on track to move forward on the next version release. This release will focus strongly on improved reliability and performance. We'll be upgrading our servers to Windows2000 as a more reliable operating system. We'll also be upgrading to an SQL 2000 Server, which is a higher performance database server. And finally we'll be evaluating version 7.5 of the Crystal Info reporting software, which is reported to be reliable and versatile.

Currently the team is evaluating whether these upgrades do in fact increase reliability and performance. The results of the evaluation will help the team to determine the feasibility, costs and timing of using the new software version in production, its performance, and any potential impact on our customers and the existing program codes. We will only move forward if improvements are demonstrated.

During the software upgrade evaluation, we will continue to develop new reports and additional features as time allows. As each new report or feature is ready, we will make it available for you, our customers.

We are also very glad to announce the two newest members to the FASTRACK team.

Sue Wang joined FASTRACK as the primary software tester on October 15, 2001. She came to us from BASS where she was also a tester for the last 10 months.



Larry Johnson is now the new Product Manager for ADDS. Larry will also be assisting in the area of testing and providing customer support on FASTRACK. You can expect to hear both Sue and Larry's friendly voices from time to time through your FASTRACK Help Line calls.

For more information or questions, please contact Muoi Nguy at muoi.nguy@ofm.wa.gov / (360) 664-7699.

CAFR Today, CAFR Tomorrow

In December 2001, we published the state's Fiscal Year 2001 Comprehensive Annual Financial Report (CAFR). We invite you to take a look at <http://www.ofm.wa.gov/financial.htm>.

The completion of the Fiscal Year 2001 CAFR finds us halfway through Fiscal Year 2002. As most of you are aware, the reporting format for Fiscal Year 2002 will change dramatically with the implementation of Governmental Accounting Standards Board (GASB) Statement 34. You will see evidence of these changes long before the Fiscal Year 2002 CAFR is published next December. We will attempt to minimize the impact of these reporting changes. This spring's update to State Administrative and Accounting Manual (SAAM) Chapter 90 State Reporting policies and disclosure forms will reflect the changes prescribed by Statement 34. In addition, the due date for disclosure forms will be moved up one week. The timeline for next year's CAFR will be strictly enforced.

The AFRS financial statements will also take on a new look beginning with the December 2001 cut-off on January 16, 2002. The major changes include two new fund types: Private Purpose Trust Funds and Permanent Funds as well as new report numbers. The report numbers will now start with CAF versus MFS. If you have any questions, please contact Jim Scheibe at james.scheibe@ofm.wa.gov or Pat Sanborn at pat.sanborn@ofm.wa.gov

The CAFR is the result of a great deal of hard work by many here at OFM as well as fiscal personnel throughout the state. Thanks to all of you for your contributions during the year and during the fiscal year closing process. We look forward to working with you in the new and improved CAFR process for Fiscal Year 2002.